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## INCORPORATION OF A SUBSIDIARY COMPANY – REGAL CONCRETE SDN. BHD.

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*CIMB Bank Berhad, Singapore branch was the financial adviser to the Company for the acquisition of the entire issued and paid up share capital of Regal International Holdings Pte. Ltd. (the "Financial Adviser"). The Financial Adviser (i) assumes no responsibility for; and (ii) does not endorse, the contents of this announcement (or any matter contemplated herein).*

The Board of Directors of Regal International Group Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that its indirect wholly-owned subsidiary, Regal Lands Sdn. Bhd. ("**Regal Lands**") has incorporated a 75%-owned subsidiary on 21 May 2015.

Name of subsidiary	: Regal Concrete Sdn. Bhd. (" <b>Regal Concrete</b> ")
Issued and Paid-up capital	: RM1,000, comprising 1000 shares of RM1.00 each, respectively
Authorised share capital	: RM500,000
Shareholders	: Regal Lands holds 750 shares in, representing 75% of the entire issued and paid-up share capital of, Regal Concrete. A third party unrelated to the Group holds 250 shares in, representing 25% of the entire issued and paid-up share capital of, Regal Concrete
Principal Activities	: Regal Concrete is principally engaged in the supply of concrete and concrete products, such as concrete piles and cement bricks.

The Group intends for Regal Concrete to supply concrete and concrete products to the Group's projects (as its priority) with the possibility of supplying to the external market in the future. This will allow the Group to reduce dependency on its suppliers and also avail itself of a new revenue stream.

This investment is funded by internal resources and is not expected to have any material impact on the consolidated net tangible assets per share or earnings per share of the Company for the financial year ending 31 December 2015.

None of the directors or controlling shareholders of the Company has any interest, direct or indirect in the above transaction.

By Order of the Board

Su Chung Jye  
Executive Chairman and Chief Executive Officer  
21 May 2015